



Corporate Transfers FAQs

1. Is a transfer of a rental property from a corporation to their corporate members exempt from the Rental Unit Efficiency code?

Answer: Transfer of rental buildings from corporations to their corporate members are exempt from the code if the transfer is made in exactly the same percentage as ownership in the corporation or the transfer is made for nominal or no consideration. The only change occurring here is that the corporation members will now own the building directly. Ownership interest has not changed.

2. Can transfers of residential rental property from parent to subsidiary corporation for no consideration be excluded?

Answer: Yes, because the department interprets the code's intent to have dual purpose where transfers between parent and subsidiary are excluded.